

REPORT

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SUPPLEMENT TO
REPORT NO. 50X1-HUM

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THIS IS UNEVALUATED INFORMATION:

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1. The Manfred Weiss firm is now known as the Hungarian Csepel steel works (Csepeli Magyar Acélművek). The approximate total number of employees is 12,000. Of these 55 percent are Communists and the remainder generally Social Democrats. In actual fact, however, the real Communists are only 10 to 15 percent of the total number of employees. During the war the number of employees reached 25,000 from a prewar figure which varied between 8,000 and 15,000. The factory guard amounts to 500 men.
2. The technical manager is Odon Nagashazy. He was interned for eight months, but was released as he was the only suitable man for the job. Before the war he was manager of the ammunition factory. He has two secretaries, Szalai and Szabo, who are members of the Communist Party.
3. The NIK controller of the works is Laszlo Dobondi. Politically he is "right-wing". His office is in Jozsef Nador Ter 6/4. A Soviet commission consisting of a colonel and two engineers are responsible together with Hungarian officials for the inspection and acceptance of goods destined for the Soviet Union. It is reported that 60 percent of the total production goes to the USSR.
4. The firm's equipment includes three Siemens-Martin furnaces, each of 45 tons capacity. Up to 55 percent scrap iron is used. One is normally laid off for relining and repairs. The steel produced is used in the factory and not sold outside, although Ganz Shipyards and MAVAG have occasionally received shipments.
5. The heavy rolling mills consist of twelve sets of rollers, and another three are under construction. The daily production with eight-hour shifts is 40 to 50 tons. Steel blooms are supplied from the Siemens-Martin furnaces, and from the Dios Gyor and OZD works as well. Armor plate sufficient for two armored trains is being rolled at present.

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6. The steel foundry uses scrap iron and steel from the Siemens-Martin furnaces. It also obtains steel from Pimamuranyi and Salgotarjan as well as from Soviet and Yugoslav works.

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7. The aluminum foundry is a large shop, the only one in the country which produces large castings from aluminum and other non-ferrous metals. As scrap is used to a large extent the quality of metal varies, and is sometimes low. Production per eight man shift per day is approximately 1,000 kilograms. In addition, there is an aluminum shop which at present is engaged in making the sides of bus bodyworks and various small components such as radiator caps.

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8. Machine shops Nos. 1 and 2 produce motor bicycles as well as pumps. Several of the motor bicycles have been returned because of low quality materials. Machine shop No. 3 is making small fighter airplane engines for the Soviet Union, and also makes repairs on similar engines. The quality and quantity of production is unknown. Small, one-engined, low-winged type of aircraft is also under construction. Eight planes can be built simultaneously.

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9. The milling and shaping machine shop is principally engaged in manufacturing cog wheels for home consumption, reparations, and export to Rumania and Bulgaria.
10. The tractor shop is producing the so-called Csepel "pocket tractor" of 16 horse power and various agricultural machines.

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11. In July 1948 a war materials department was started. The firm now produces 8 cm. mortars and has started the production of 100 cm. and 125 cm. mortars which are valued at 1,000 forint each. The bulk of these weapons is sent to the Soviet Union. A shell shop is producing "copper and bronze" shells from 7 mm. to 11 mm. diameter. This shop can only be entered by selected personnel who are members of the Communist Party.

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12. Welding electrodes are produced at the rate of one carload daily. They are delivered mainly to Bulgaria.
13. Other raw materials and supplies are as follows:

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- a. More iron ore is now coming from the Soviet Union than from Hungary. The Hungarian ore comes from the OZD company. The Soviet ore comes by both rail and ship.
- b. Copper and lead: This formerly was imported from Yugoslavia.
- c. Aluminum: This comes from the Magyar Bauxit works in Hungary.
- d. Coal: This comes from Czechoslovakia, the Hungarian mines at Pecs, and possibly from Poland.

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